STATE OF NEW YORK PUBLIC SERVICE COMMISSION

At a session of the Public Service Commission held in the City of Albany on April 19, 2018

COMMISSIONERS PRESENT:

John B. Rhodes, Chair Gregg C. Sayre Diane X. Burman, concurring James S. Alesi

CASE 18-E-0138 - Proceeding on Motion of the Commission Regarding Electric Vehicle Supply Equipment and Infrastructure.

ORDER INSTITUTING PROCEEDING

(Issued and Effective April 24, 2018)

BY THE COMMISSION:

INTRODUCTION & BACKGROUND

New York's transportation sector is responsible for more of the state's carbon dioxide emissions than any other sector. In order to meet New York's State Energy Plan (SEP) targets of reducing greenhouse gas emissions 40 percent below 1990 levels by 2030, and 80 percent below 1990 levels by 2050, the state's transportation sector must be electrified. 2

New York has already taken a number of steps to promote the deployment of electric vehicles (EVs). The New York State Energy Research and Development Authority, the New York

See U.S. Energy Information Administration, State Carbon Dioxide Emissions Data (October 24, 2017) available at: https://www.eia.gov/environment/emissions/state/.

Case 14-M-0094, Proceeding on Motion of the Commission to Consider a Clean Energy Fund, Order Authorizing the Clean Energy Fund Framework (issued January 21, 2016).

Power Authority, and the New York State Department of Environmental Conservation are implementing the ChargeNY Program to install 3,000 EV charging stations statewide. The Commission has also recognized the potential benefits EVs offer.³ These benefits relate to the carbon reduction benefits of electrifying the transportation sector, but also to the electric system benefits of well-managed deployment and operation of electric vehicle supply equipment (EVSE) as distributed resources. In the DSIP Guidance Order, the Commission recognized that decarbonizing the transportation system is a priority and directed the electric utilities to address planning for, and enabling increased deployment of, EVSE in their Supplemental DSIPs.⁴

The next DSIP filing, due June 30, 2018, will consider and address the utility-provided resources and capabilities that support greater EV penetration. In addition to ongoing EVSE planning in the DSIPs, each electric utility was required to file an EV charging tariff by April 1, 2018⁵ that will establish a residential tariff for the purpose of charging EVs. The Commission anticipates that these residential-only tariffs will

See Case 16-E-0060, Consolidated Edison Company of New York, Inc. - Rates and Case 17-E-0238, Niagara Mohawk Power
Corporation (d/b/a National Grid) - Rates. Con Edison is conducting an EV charging rebate program, proposed in the most recent rate case Joint Proposal and approved by the Commission on January 25, 2017. National Grid is conducting a new electric transportation initiative in which the company will make capital upgrades to accommodate the future installation of EV charging stations at commercial customers' properties and provide monetary incentives for such stations, proposed in the most recent rate case Joint Proposal and approved by the Commission on March 15, 2018.

Case 14-M-0101, Proceeding on Motion of the Commission in Regard to Reforming the Energy Vision, Order Adopting Distributed System Implementation Plan Guidance (issued April 20, 2015) (DSIP Guidance Order), p. 25.

⁵ As required by PSL §66-o.

build upon already available time-of-use rates that provide EV-owners incentives and benefits to charge during off-peak hours.

By this Order, the Commission commences a proceeding to consider the role of electric utilities in providing infrastructure and rate design to accommodate the needs and electricity demand of EVs and EVSE. The proceeding will explore cost-effective ways to build such infrastructure and equipment, and determine whether utility tariff changes will be needed in addition to those already being considered for residential customers to accommodate and promote the deployment of EVs. The proceeding will also investigate the characteristics of EV charging systems and how those systems may facilitate EV participation as a distributed energy resource (DER) in a manner not yet captured by the Reforming the Energy Vision (REV) Initiative.

DISCUSSION & CONCLUSION

As performance improves, EVs can offer potentially efficient and economic ways to reduce carbon dioxide, and may provide additional energy security benefits to their owners and the distribution grid.

Existing statewide programs aim to increase EV penetration and to construct the required EVSE, but these existing initiatives do not consider the potential role played by electric utilities in building the infrastructure needed to support increased EV charging requirements. New York's emerging EV market requires regulatory attention to remove inappropriate obstacles to adoption and ensure critical EVSE and infrastructure is in place to support the state's Zero Emissions

See Case 18-E-0206, Tariff filings to Effectuate the Provisions of Public Service Law Section 66-o (Residential Electric Vehicle Charging Tariff).

Vehicle (ZEV) targets. The Stakeholders have called for such attention, including those raised in a February 22, 2018 Petition for an Order Establishing a Separate Proceeding to Advance New York's Electric Vehicle Market filed in the REV and DSIP cases by 41 industry, environmental, lobby, and labor groups.

While current and near-term EV adoption levels do not significantly impact system planning scenarios, nor related distribution system investment plans⁸ the Commission must act now to ensure that the utilities' EV readiness framework is capable of meeting the future EV market development. The Commission does not need to wait for load forecasts to exceed the electric utilities' capacity before taking action here; as prudent regulators, we direct Department of Public Service Staff (Staff) to collaborate with stakeholders to identify and address what immediate and long-term actions will best support EV market growth.

In order to provide a comprehensive framework for these ongoing initiatives, the Commission directs Staff expeditiously to convene a technical conference to consider the following topics:

- potential utility roles in supporting EVSE deployment;
- potential utility roles in supporting EV charging services;

On October 24, 2013, Governor Cuomo entered into a Memorandum of Understanding with the Governors of California, Connecticut, Maryland, Massachusetts, Oregon, Rhode Island, and Vermont agreeing to coordinate and collaborate to promote effective and efficient implementation of ZEV regulations. State Zero-Emission Vehicle Programs, Memorandum of Understanding available at: dec.ny.gov/docs/air_pdf/zevmou.pdf

See the Joint Utilities Supplemental Distributed System Implementation Plan filed November 1, 2016 in Case 16-M-0411, p. 113.

- requirements to enable EVs and EVSE to operate as a source of grid services and system value, including possible data and instrumentation needs;
- location considerations, including electric system, customer need, and community considerations;
- how to treat EVs and EVSE as DERs;
- if tariffs and demand charges should be adjusted;
- potential utility roles in encouraging EV adoption;
- compatibility with ongoing regional initiatives and other state's programs; and
- other similar actions proposed by stakeholders.

Based on this stakeholder feedback, the Commission directs Staff to subsequently and expeditiously issue a whitepaper that addresses these topics and any additional topics stakeholders and Staff see fit. The whitepaper should take a comprehensive approach so that all EV and EVSE actions that are determined to be sound are aligned with each other for best cost, value and effectiveness. Once filed, all stakeholders will be invited to comment on Staff's whitepaper recommendations.

The Commission orders:

- 1. A proceeding is instituted to encourage greater penetration of electric vehicles and electric vehicle supply equipment in New York State.
- 2. Central Hudson Gas & Electric Corporation,
 Consolidated Edison Company of New York, Inc., New York State
 Electric & Gas Corporation, Niagara Mohawk Power Corporation
 (d/b/a National Grid), Orange and Rockland Utilities, Inc., and
 Rochester Gas and Electric Corporation are directed to fully
 participate in the proceeding. The Long Island Power Authority,

New York Power Authority, New York State Energy Research and Development Authority and other interested stakeholders are invited to participate in the proceeding.

- 3. The Department of Public Service shall convene a technical conference to solicit stakeholder input, to identify issues to be addressed, and to establish the scope of a Department of Public Service Staff whitepaper that shall subsequently be issued expeditiously.
 - 4. This proceeding is continued.

By the Commission,

(SIGNED)

KATHLEEN H. BURGESS Secretary